



September 17, 2019

Item No. 9

**RECOMMENDATION TO SUBMIT A DISPOSITION APPLICATION FOR PROPERTY IN
THE PULLMAN COMMUNITY AREA**

Land Address	Alderman/Ward	Community Area
10527 South Corliss	9 th Ward	Pullman

Presenter: Ann McKenzie, Chief Development Officer

Recommendation

It is recommended that the Board of Commissioners (BOC) of the Chicago Housing Authority (CHA) 1) Ratify the execution of a purchase and sale agreement and any amendments thereto, for the sale of the property at 10527 South Corliss; 2) Authorize the Chief Executive Officer (CEO) or his designee to submit a disposition application to the United States Department of Housing and Urban Development (HUD) for the sale of the property; and 3) Authorize the CEO or his designee to execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

The requested action in this item complies in all material respects with all applicable federal, state and local laws and CHA board policies. Staff have completed all necessary due diligence to support the submission of this initiative.

Property Summary

10527 South Corliss was a scattered site building for CHA residents. It is in the historic district of Pullman which requires extensive review regarding any plans to rehabilitate the property. The property has fallen into severe disrepair.

Funding

Not Applicable.

Background

Building at 10527 South Corliss. The Cook County Land Bank Authority (CCLBA) is seeking to acquire the CHA-owned vacant property located at 10527 South Corliss Avenue. The CCLBA is seeking to acquire the Corliss property on behalf of Community Neighborhood Initiatives (CNI). CNI plans to renovate 10527 South Corliss as part of its Pullman Revitalization Plan where they

have already invested more than \$5 million to renovate dozens of historic rowhomes, all of which have been sold to new owner-occupants. The CCLBA already owns the vacant row house adjacent to the CHA-owned vacant property which CCLBA will also deed to CNI.

The Property, acquired in 1983 by the CHA, is a two-story, two-unit row house located in the Pullman community area, and within the Pullman Historic District. The Property has been vacant since November 2005. It is presently secured and considered uninhabitable. In 2014, the property was listed in the MTW Annual Plan for disposition, and again in the 2016 MTW Annual Plan as part of the second amendment to the plan.

In December 2017, CHA staff completed a physical needs assessment of the property and confirmed that a costly gut rehab would be needed to fully rehabilitate the property. The property was appraised in March 2017, and is valued at \$13,000.

Additionally, the CHA has submitted the Property for review by the Illinois Historic Preservation Agency (IHPA), as part of the environmental review process. IHPA has recommended a preservation covenant be placed on the Property before it is conveyed to the CCLBA to ensure its architectural integrity.

The CHA has met all necessary regulatory requirements under 24 CFR 970.9 (Resident Participation – Consultation and Opportunity to Purchase) through a series of notices, meetings, and an offer of sale to the Central Advisory Council. On August 5 and August 6 of 2015, the CHA convened public meetings where residents discussed the proposed 2016 Annual Plan. Residents were informed of and commented on the Corliss dispositions. Further, the CHA met with residents from the zip code surrounding 10527 South Corliss on March 14, 2019, to inform them of the disposition as well as to offer residents the opportunity to purchase the property. Lastly, the Central Advisory Council was given the opportunity to purchase 10527 South Corliss on August 13, 2019. Together, these actions fulfill the resident consultation and offer of sale requirements in 24 CFR 970.9.

The CCLBA has agreed to acquire the vacant property for the appraised value of \$13,000, and has agreed to purchase the Property with a preservation covenant as recommended by IHPA. The transfer and sale of the Corliss property is contingent upon approval by the CHA Board of Commissioners, as well as HUD approval of the disposition application.

The requested action complies with all federal disposition regulations.

Respectfully Submitted:

Ann McKenzie
Chief Development Officer

RESOLUTION NO. 2019-CHA-

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated September 17, 2019 entitled "Authorization to Submit a Disposition Application for Property in the Pullman Community Area."

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners 1) Ratifies the execution of a purchase and sale agreement and any amendments thereto, for the sale of the property at 10527 South Corliss; 2) Authorizes the Chief Executive Officer or his designee to submit a disposition application to the United States Department of Housing and Urban Development (HUD) for the sale of the property; and 3) Authorizes the Chief Executive Officer or his designee to execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

This matter is not subject to compliance with CHA's MBE/WBE/DBE/ Section 3 hiring and insurance requirements.

James L. Bebley
Acting Chief Executive Officer
Chicago Housing Authority